# Before the Federal Communications Commission Washington, D.C. 2054

In the Matter of	)	
	)	Facility ID No. 38456
Anabelle Savage Chapter 7 Trustee, Universal	)	NAL/Acct. No. MB-201041410009
Broadcasting, Inc.	)	FRN: 001871942
	)	File No. BAL-20090728ADJ
Licensee of Station KQLO(AM)	)	
Sun Valley, Nevada	Ó	

### FORFEITURE ORDER

Adopted: April 20, 2011 Released: April 21, 2011

By the Chief, Audio Division, Media Bureau:

### I. INTRODUCTION

1. In this Forfeiture Order ("Order"), we issue a monetary forfeiture in the amount of four thousand dollars (\$4,000) to Anabelle Savage, Chapter 7 Trustee, Universal Broadcasting, Inc. ("Trustee), former licensee<sup>1</sup> of Station KQLO(AM), Sun Valley, Nevada ("Station"), for willfully and repeatedly violating Section 73.3540(a) of the Commission's Rules ("Rules") and Section 310(d) of the Communications Act of 1934, as amended ("Act"), by engaging in the unauthorized transfer of control of the Station.<sup>2</sup>

## II. BACKGROUND

- 2. On December 7, 2007, the United States Bankruptcy Court appointed Anabelle Savage as Trustee for Universal Broadcasting, Inc..<sup>3</sup> On July 28, 2009, the Trustee applied for Commission consent to the assignment of the Station license to Jireh Media, Inc. ("Jireh").<sup>4</sup> The Staff granted the application on April 13, 2010.<sup>5</sup>
- 3. During the pendency of the Jireh assignment application, Steven Lewis filed an informal objection alleging that Jireh largely managed the dad-to-day maintenance and rehabilitation of the Station during the Trustee's time as licensee and that the Trustee did not manage or hire any employees to manage the radio station or adequately supervise Jireh's work. On April 13, 2010, the staff issued the

<sup>&</sup>lt;sup>1</sup> On July 28, 2009, the Trustee filed an application for consent to assign the Station's license to Jireh Media, Inc. *See* File No. BAL-20090728ADJ. That application was granted on April 13, 2010. Despite this assignment, the Trustee remains liable for forfeiture for those violations occurring when the Station was under her stewardship. *See, e.g., Vista Point Communications, Inc.*, Memorandum Opinion and Order and Forfeiture Order, 14 FCC Rcd 140, 140 n.2 (MMB 1999) (finding licensee liable for forfeiture for violations of the Commission's rules that took place when station was under its stewardship).

<sup>&</sup>lt;sup>2</sup> 47 C.F.R. § 73.3540(a); 47 U.S.C. § 310(d).

<sup>&</sup>lt;sup>3</sup> See File No. BTC-20081029ACF. The staff granted the application on November 4, 2008.

<sup>&</sup>lt;sup>4</sup> See File No. BAL-20090728ADJ.

<sup>&</sup>lt;sup>5</sup> Anabelle Savage, Chapter 7 Trustee, Universal Broadcasting, Inc., Assignor, and Jireh Media, Inc., Assignee, Memorandum Opinion and Order and Notice of Apparent Liability for Forfeiture, 25 FCC Rcd 3665 (MB 2010) ("NAL").

NAL to the Trustee for unauthorized transfer of control of the Station. The Trustee did not file a response to the NAL.

### III. DISCUSSION

- 4. The forfeiture amount proposed in this case was assessed in accordance with Section 503(b) of the Act, <sup>6</sup> Section 1.80 of the Rules, <sup>7</sup> and the Commission's *Forfeiture Policy Statement*. <sup>8</sup> In determining the appropriate forfeiture amount, Section 503(b)(2)(E) of the Act requires that we take into account the nature, circumstances, extent and gravity of the violation and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require. <sup>9</sup>
- 5. We have considered the NAL in light of the above statutory factors, our Rules, and the *Forfeiture Policy Statement*. We conclude that the Trustee willfully<sup>10</sup> and repeatedly<sup>11</sup> violated Section 73.3540(a) of the Rules and Section 310(d) of the Act. The Commission has traditionally given significant consideration to the bankrupt status of a licensee or permittee in issuing forfeitures,<sup>12</sup> and both the Commission and the staff have cancelled forfeitures where the licensee or permittee filed for Chapter 7 bankruptcy protection, and thus had no input into how its assets would be distributed.<sup>13</sup> In this case, however, the bankruptcy Trustee herself committed the violations.<sup>14</sup> As a licensee, a bankruptcy trustee is subject to the Commission's rules and regulations.<sup>15</sup> The staff considered the Trustee's bankruptcy status in issuing the NAL and reduced the proposed forfeiture from the base amount of \$8,000 to \$4,000.<sup>16</sup> Based on the information before us, we affirm the forfeiture.

### IV. ORDERING CLAUSES

6. Accordingly, IT IS ORDERED, pursuant to Section 503(b) of the Communications Act of 1934, as amended, and Sections 0.283 and 1.80 of the Commission's Rules, <sup>17</sup> that Anabelle Savage,

<sup>&</sup>lt;sup>6</sup> 47 U.S.C. § 503(b).

<sup>&</sup>lt;sup>7</sup> 47 C.F.R. § 1.80.

<sup>&</sup>lt;sup>8</sup> The Commission's Forfeiture Policy Statement and Amendment of Section 1.80 of the Rules to Incorporate the Forfeiture Guidelines, Report and Order, 12 FCC Rcd 17087 (1997), recon. denied, 15 FCC Rcd 303 (1999).

<sup>&</sup>lt;sup>9</sup> 47 U.S.C. § 503(b)(2)(E).

<sup>&</sup>lt;sup>10</sup> Section 312(f)(1) of the Act defines "willful" as "the conscious and deliberate commission or omission of [any] act, irrespective of any intent to violate" the law. 47 U.S.C. § 312(f)(1). The legislative history of Section 312(f)(1) of the Act clarifies that this definition of willful applies to Sections 312 and 503(b) of the Act, H.R. REP. No. 97-765, 51 (Conf. Rep.), and the Commission has so interpreted the terms in the Section 503(b) context. *Southern California Broadcasting Co*, Memorandum Opinion and Order, 6 FCC Rcd 4387, 4387-88 (1991), *recon. denied*, 7 FCC Rcd 3454 (1992) ("*Southern California*").

<sup>&</sup>lt;sup>11</sup> Section 312(f)(1) of the Act defines "repeated" as "the commission or omission of [any] act more than once or, if such commission or omission is continuous, for more than one day." 47 U.S.C. § 312(f)(1). *See also Southern California*, 6 FCC Rcd at 4388 (applying this definition of repeated to Sections 312 and 503(b) of the Act).

<sup>&</sup>lt;sup>12</sup> See Dennis Elam, Memorandum Opinion and Order, 11 FCC Rcd 1137 (1997); Yvette Gonzales, Memorandum Opinion and Order, 24 FCC Rcd 5669 (MB 2009).

<sup>&</sup>lt;sup>13</sup> See Dennis Elam, 11 FCC Rcd at 1137; Yvette Gonzales, 24 FCC Rcd at 5669.

<sup>&</sup>lt;sup>14</sup> NAL, 25 FCC Red at 3670-74.

<sup>&</sup>lt;sup>15</sup> See Martin W. Hoffman, Trustee, 12 FCC Rcd 11722, 11723 (1997).

<sup>&</sup>lt;sup>16</sup> NAL, 25 FCC Rcd at 3675.

<sup>&</sup>lt;sup>17</sup> 47 U.S.C. § 503(b); 47 C.F.R. §§ 0.283, 1.80.

Chapter 7 Trustee, Universal Broadcasting, Inc., SHALL FORFEIT to the United States the sum of four thousand dollars (\$4,000) for willfully and repeatedly violating Section 73.3540 of the Commission's Rules and Section 310 of the Communications Act of 1934, as amended.

- Payment of the forfeiture shall be made in the manner provided for in Section 1.80 of the Commission's Rules within 30 days of the release of this Forfeiture Order. If the forfeiture is not paid within the period specified, the case may be referred to the Department of Justice for collection pursuant to Section 504(a) of the Act. 18 Payment of the proposed forfeiture must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include the NAL/Acct. No. and FRN No. referenced in the caption above. Payment by check or money order may be mailed to Federal Communications Commission, at P.O. Box 979088, St. Louis, MO 63197-9000. Payment by overnight mail may be sent to U.S. Bank—Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101. Payment by wire transfer may be made to ABA Number 021030004, receiving bank: TREAS NYC, BNF: FCC/ACV--27000001 and account number as expressed on the remittance instrument. If completing the FCC Form 159, enter the NAL/Account number in block number 23A (call sign/other ID), and enter the letters "FORF" in block number 24A (payment type code). 19 Licensee will also send electronic notification on the date said payment is made to michael.wagner@fcc.gov and seth.williams@fcc.gov. Requests for payment of the full amount of the forfeiture under an installment plan should be sent to: Associate Managing Director-Financial Operations, Room 1-A625, 445 12th Street, S.W., Washington, D.C. 20554.<sup>20</sup>
- IT IS FURTHER ORDERED, that a copy of this Forfeiture Order shall be sent by Certified Mail Return, Receipt Requested, and by First-Class Mail, to: Anabelle Savage, Chapter 7 Trustee, Universal Broadcasting, Inc., c/o Belding Harris & Petroni, Ltd., 417 West Plumb Lane, Reno, NV 89509, and to counsel, F. Scott Pippin, Esq., Lerman Senter PLLC, 2000 K Street, NW, Suite 600, Washington, DC 20006.

FEDERAL COMMUNICATIONS COMMISSION

Peter H. Doyle Chief, Audio Division Media Bureau

<sup>&</sup>lt;sup>18</sup> 47 U.S.C. § 504(a).

<sup>&</sup>lt;sup>19</sup> See 47 C.F.R. § 1.1914.

<sup>&</sup>lt;sup>20</sup> *Id*.